

**SOUTHWARK DIOCESAN BOARD OF EDUCATION**

**BRIEFING SHEET**

**SUBJECT: GOVERNORS' ALLOWANCES**

**RECIPIENT(S):** Headteachers and Chairs of Governors of all C of E Schools

**SDBE CONTACT:** Carol Jerwood

**DATE:** 20 April 2004 (Re-issued with minor changes)

**1 BACKGROUND**

**1.1** *The Education (Governors' Allowances) Regulations 2003* came into force on 1 September 2003 and apply to all maintained schools. The Regulations are permissive, ie, they do not require a governing body to establish a scheme determining the type and rates of expenses payable to governors, but if a governing body pays expenses to its members, it must have a scheme in place. The Board recognises the financial difficulties faced by many schools and that many governors are reluctant to claim expenses if they have to be met from the school's budget. However, it is valid to reimburse legitimate claims for expenses which would otherwise have to be met from governors' own resources and could deter some people from volunteering to be a governor.

**1.2** The Regulations allow greater flexibility, in that, in addition to travel and subsistence, governors may make payments for other legitimate expenditure so that, governors and non-governor members of committees may perform any of their responsibilities without incurring financial loss.

**2 ELIGIBLE EXPENDITURE**

**2.1** Governing bodies should note that the Regulations do not allow governors to claim an attendance allowance or for loss of earnings. The following eligible expenses are identified by the DfES:

- (i) child care or baby-sitting expenses;
- (ii) care for an elderly or dependent relative;
- (iii) telephone charges, photocopying, stationery etc;
- (iv) travel and subsistence, ie, meals purchased that would not otherwise have been bought.

**3 RATES OF EXPENDITURE**

**3.1** Rates must not exceed the rates for travel and subsistence specified by the Inland Revenue (Authorised Mileage Rates). A governing body may decide to set its own rates providing these are lower. If a school does not have a delegated budget, the LEA's policy will apply.

**4 PAYMENTS AND AUDIT**

**4.1** It is expected that payments will be made from a school's delegated budget. While recognising that many governors feel reticent about spending the school's budget on themselves, such claims are legitimate and recognise that there are real financial costs to being a governor. Governing bodies may use other sources of income for paying governors' expenses providing this does not compromise the original purpose for which the funds were intended.

**4.2** Governing bodies must set up a system which will guard against inappropriate claims. Governors have a duty to ensure that school resources are used effectively, therefore, there must be safeguards in place to ensure that payments are authorised and processed properly.

**4.3** All governors are eligible to vote on the scheme for paying governors' expenses. However, if an individual governor's claim were under discussion, he/she would have to withdraw.

**5 MODEL POLICY**

**5.1** As mentioned above, there is no requirement to adopt an allowances policy unless a governing body intends to pay expenses to its members. Governors should, however, debate the issue and minute their decision. The policy overleaf is a model which governors may wish to consider. Further guidance is available from [www.governor-net.co.uk/linkAttachments/GovernorAllowancesOct03.pdf](http://www.governor-net.co.uk/linkAttachments/GovernorAllowancesOct03.pdf)

## MODEL GOVERNORS' ALLOWANCES POLICY

..... C OF E SCHOOL

### PRINCIPLES

- 1 No governor should be out of pocket for expenses incurred during the course of their duties.
- 2 All members of the governing body and any non-governor members of committees established by the governing body will be treated equally.
- 3 Individual members' expenses will be kept confidential, but expenses forms will be required to be completed for audit purposes.
- 4 The following eligible expenses are payable as identified by the DfES:
  - (i) child care or baby-sitting expenses;
  - (ii) care for an elderly or dependent relative;
  - (iii) telephone charges, photocopying, stationery etc;
  - (iv) travel and subsistence, ie, meals purchased that would not otherwise have been bought.
- 5 The Governing Body has adopted the current rates for travel and subsistence specified by the Inland Revenue (Authorised Mileage Rates)<sup>1</sup>.
- 6 Claims will be paid from the School's delegated budget<sup>2</sup>. Governors and others must not save up their claims for the end of the school financial year; claims should be submitted in accordance with the process outlined below.
- 7 There is no provision in this policy for governors or non-governor members of committees to claim for loss of earnings or an attendance allowance.
- 8 Care costs will not be met under this policy where the care for a child or dependent relative is being provided by an existing or former spouse or partner, or by a responsible person who normally lives in the family home.
- 9 All new governors will be given a copy of this policy on appointment.
- 10 This policy was agreed by the Governing Body on ..... and will be reviewed at the first meeting of the autumn term in the following year.

### PROCESS

- 1 Members must complete a claim form and provide receipts, or other evidence of expenditure, wherever possible. Forms should be sent directly to the Chair of the Finance Committee.
- 2 Claims will be passed to the Finance Committee for approval. No claim will be approved unless submitted on the appropriate form. The Chair or Vice-chair of Finance Committee will sign the expense forms once these have been approved by the Finance Committee.
- 3 To reduce administrative costs, claims should be submitted each term, unless this is likely to cause hardship to individuals; governors will need to keep in mind the dates of Finance Committee meetings when submitting a claim.

### Footnotes:

- 1 Governors should specify the rates applicable and may adopt lower rates than the Inland Revenue.
- 2 Governors may make payments from other sources of income, provided this does not compromise the purpose for which the income was intended.